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Compendium of basic terminology in governance and public administration

Definition of basic concepts and terminologies in governance and public administration

Note by the Secretariat*

Summary

At its fourth session, the United Nations Committee of Experts on Public Administration recognized that there are some fundamental concepts and terminologies of governance and public administration that need to be defined in order that there can be a common understanding of them throughout the United Nations system. It is acknowledged that often these concepts and terminologies are not applied in a uniform way. The discussions of the Committee on this subject will be the beginning of a participatory process in identifying and defining the major concepts and terminologies at the core of governance and public administration. The terminologies that are presented in the present paper are not exhaustive; developed through a brief desk research, they are intended to provide an initial springboard for the Committee to initiate discussions on these and related terms. Following the Committee's comments and guidance, the research will be extended to expand the inventory and the definitions of the concepts and terminologies in governance and public administration.

* The submission of the present report was delayed owing to the late receipt of input from the external consultant.

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I. Introduction

1. At its fourth session, the United Nations Committee of Experts on Public Administration recognized that there are some fundamental concepts and terminologies of governance and public administration that need to be defined in order to provide a common understanding of them for the organizations and bodies of the United Nations system. These concepts and terminologies are not static and do not apply in a uniform way in all places and cultures. The Committee agreed that a participatory process is called for to identify the main principles constituting the content of governance and public administration. Accordingly, and as a basis for its discussions, the Committee decided to focus on the definition of basic concepts and terminologies relating to governance and public administration, providing an in-depth assessment of such concepts, how they have evolved and how they are used and applied. The Committee felt that definition of these concepts and related terminologies would greatly benefit the discussion in governmental processes as well as in the work of practitioners. As an initial step in making an inventory of these terminologies and their various definitions by different actors, the Division for Public Administration and Development Management of the Department of Economic and Social Affairs has put together the present report, containing some of the basic terminologies involved in its governance and public administration programme. The paper presents a limited inventory and listing of definitions of concepts and terminologies. Its main purpose is to serve as a point of departure for the Committee to discuss and advise which concepts and terminologies to define and how they should be defined.

II. Governance and public administration

2. The term governance has gained great usage in contemporary public administration. Many theorists in the field believe that the term governance is an organizing concept that guides administrators as administrative practices shift from the bureaucratic State to what is called the "hollow State" or what Osborne and Gaebler (1993)[1] call "third-party government". According to Frederickson and Smith,[2] "Governance refers to the lateral and inter-institutional relations in administration in the context of the decline of sovereignty, the decreasing importance of jurisdictional borders and a general institutional fragmentation". Frederickson and Smith assert further that, with more emphasis on governance, "the administrative state is now less bureaucratic, less hierarchical and less reliant on central authority to mandate action. Accountability for conducting the public's business is increasingly about performance rather than discharging a specific policy goal with the confines of the law".

3. The use of the terms governance and public administration gained unprecedented momentum in both their quest and usage in the nineteenth and twentieth centuries. However, as the twenty-first century gets under way, there does not seem to be a consensus as to what they mean. In a highly dynamic environment, politically, socially, economically, and culturally, these terms mean different things in different contexts.

A. Governance

4. Towards the end of the twentieth century, the term governance gained the prominent attention of donor agencies, social scientists, philanthropists and civil society. This popularity stems from the fact that it can be applied to a wide range of issues, relationships and institutions involved in the process of managing public and private affairs. The term governance enlarges and better illustrates what Governments should be focusing on. In addition, at the end of the cold war, the usage of the term was revitalized as donor agencies, notably the World Bank and International Monetary Fund (IMF), and Western countries urged the countries of the former Union of Soviet Socialist Republics and the countries of the developing world to undertake political, economic and administrative reforms and to practice good governance. The conceptualization of the term does not, however, seem to have been consistent, and it has generated various definitions and meanings, as shown below.

5. The United Nations Development Programme (UNDP), in its 1997 policy paper,[3] defined governance as "the exercise of economic, political and administrative authority to manage a country's affairs at all levels. It comprises the mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences". This definition was endorsed by the Secretary-General's inter-agency sub-task force to promote integrated responses to United Nations conferences and summits. Over the past 10 years, the number of country level programmes on governance supported by the United Nations system has expanded considerably.

6. In 1993, the World Bank defined governance as the method through which power is exercised in the management of a country's political, economic and social resources for development.[4] While the World Bank has focused on stabilization and State reforms that overwhelmingly focused on civil service retrenchment and privatization for a long period, the early 1990s saw a change of focus. The Bank came to realize that most of the crises in developing countries are of a governance nature. Hence, the contemporary adjustment package emphasizes governance issues such as transparency, accountability and judicial reform. In this context, the Bank has introduced a new way of looking at governance; good governance.

7. According to Jon Pierre,[5] "governance refers to sustaining coordination and coherence among a wide variety of actors with different purposes and objectives". Such actors may include political actors and institutions, interest groups, civil society, non-governmental and transnational organizations. This definition illustrates that while the government of a traditional State has to cope with internal challenges and external challenges from the above actors, some of the functions previously the preserve of government may be taken over some of the same parties. This definition gives credence to the assertion made earlier that governance is broader than government.

8. While Pierre's definition of governance is society-centric, Peters and Pierre[6] offer a definition of the term that is more State-centric. Even as they concede that "governance relates to changing relationships between State and society and a growing reliance on less coercive policy instruments" they assert that "the State is still the centre of considerable political power". They perceive governance as "processes in which the State plays a leading role, making priorities and defining

objectives". This is in line with the notion of the role of the State as that of "steering" society and the economy.

9. Hirst[7] offers a more general definition of the term. He asserts that "governance can be generally defined as the means by which an activity or ensemble of activities is controlled or directed, such that it delivers an acceptable range of outcomes according to some established standard".

10. Canada's Institute of Governance (2002)[8] offers another general definition, asserting that "Governance is the process whereby societies or organizations make important decisions, determine whom they involve and how they render account".

B. Good governance

11. According to the World Bank, good governance entails sound public sector management (efficiency, effectiveness and economy), accountability, exchange and free flow of information (transparency), and a legal framework for development (justice, respect for human rights and liberties).

12. In seeming agreement with the World Bank, the Overseas Development Administration of the United Kingdom of Great Britain and Northern Ireland (now the Department for International Development), defines good governance by focusing on four major components namely legitimacy (government should have the consent of the governed); accountability (ensuring transparency, being answerable for actions and media freedom); competence (effective policymaking, implementation and service delivery); and respect for law and protection of human rights.[9]

13. According to Surendra Munshi,[10] good governance "signifies a participative manner of governing that functions in a responsible, accountable and transparent manner based on the principles of efficiency, legitimacy and consensus for the purpose of promoting the rights of individual citizens and the public interest, thus indicating the exercise of political will for ensuring the material welfare of society and sustainable development with social justice".

14. A more succinct definition of good governance is offered by Hirst[7] who propounds that it "means creating an effective political framework conducive to private economic action: stable regimes, the rule of law, efficient State administration adapted to the roles that Governments can actually perform and a strong civil society independent of the State".

C. Global governance

15. Thomas G. Weiss, director of the Ralph Bunche Institute for International Studies at the Graduate Center of the City University of New York,[11] defines "global governance" as "collective efforts to identify, understand or address worldwide problems that go beyond the capacity of individual States to solve". He asserts that global governance may be defined as "the complex of formal and informal institutions, mechanisms, relationships, and processes between and among States, markets, citizens and organizations, both inter- and non-governmental, through which collective interests on the global plane are articulated, rights and obligations are established, and differences are mediated".[12]

16. In 2005, Geraldine Fraser-Moleketi[13] defined global governance as "the activities and processes of government and governing located at several different government levels; that is local, national, regional and global".

17. The term governance has numerous concepts and principles associated with it. Below is an overview of those most commonly used.

III. Public administration

18. Public administration has many definitions. According to some authors, public administration is centrally concerned with the organization of government policies and programmes as well as the behaviour of officials (usually non-elected) formally responsible for their conduct.

19. Other specialists in the field define public administration as all processes, organizations and individuals (the latter acting in official positions and roles) associated with carrying out laws and other rules adopted or issued by legislatures, executives and courts.

20. Other parties assert that public administration is the use of managerial, political and legal theories and processes to fulfil legislative, executive and judicial mandates for the provision of government regulatory and service functions.

21. According to UNDP, public administration has two closely related meanings:

(a) The aggregate machinery (policies, rules, procedures, systems, organizational structures, personnel and so forth) funded by the State budget and in charge of the management and direction of the affairs of the executive government, and its interaction with other stakeholders in the State, society and external environment;

(b) The management and implementation of the whole set of government activities dealing with the implementation of laws, regulations and decisions of the Government and the management related to the provision of public services.[14]

IV. New public management

22. New public management is a global public management reform movement that redefines the relationship between Government and society that originated in Australia, New Zealand and the United Kingdom of Great Britain and Northern Ireland. Spurred by citizen dissatisfaction with government performance, endemic fiscal problems and seemingly successfu' restructuring in the private arena, calls for public sector reform and reinventing Government became rampant.

23. According to Osborne and Gaebler (1993),[1] new public management calls on Government to focus on achieving results rather than primarily conforming to procedures and to adopt market-like competition, innovations and entrepreneurial strategies. In order to be market-like, Government and public administration generally is called upon to be customer-driven and to rely on market-based mechanisms to deliver public services.

24. According to some authors, new public management calls on public administration to change its culture and be flexible, innovative, problem-solving,

entrepreneurial and enterprising, as opposed to rule-bound, process-oriented and focused on inputs rather then results.

25. The contention expressed by supporters of new public management that public administrators should be conceived as entrepreneurs, seeking opportunities to create private partnerships and serve customers has come under criticism. Denhardt and Denhardt[15] argue that "this perspective of the public administrator is narrow and is poorly suited to achieve democratic principles such as fairness, justice, participation and the articulation of shared interest".

A. Public sector governance

26. Public sector governance has been defined as regimes of laws, rules, judicial decisions and administrative practices that constrain, prescribe, and enable the provision of publicly supported goods and services. In this definition, constitutional institutions are linked to the realities of policymaking and public management.

B. Democracy

27. The UNDP *Human Development Report, 2002* stated that "For politics and political institutions to promote human development and safeguard the freedom and dignity of all people, democracy must widen and deepen". "Democracy", as defined in Wikipedia (http://en.wikipedia.org), "in its ideal sense is the notion that 'the people' should have control of the government ruling over them. This ideal is pursued by implementing a system of voting such that the majority of people rule, either directly or indirectly through elected representatives. Democracies may be 'liberal', where fundamental rights of individuals in the minority are protected by law, or they may be 'illiberal' where they are not. Democracy is often implemented as a form of government in which policy is decided by the preference of the real majority (as opposed to a partial or relative majority of the demos/citizens) in a decision-making process, usually elections or referenda, open to all".

28. According to Elgstrom and Hyden,[16] democracy is system of government with the following attributes:

(a) There are institutions and procedures through which citizens can express effective preferences about alternative policies at the national level and there are institutionalized constraints on the exercise of power by the executive (competition);

(b) There exists inclusive suffrage and a right of participation in the selection of national leaders and policies (inclusiveness/participation).

29. Larry Diamond[17] uses the maximalist definition of democracy as encompassing "not only a civilian, constitutional, multiparty regime, with regular, free and fair elections and universal suffrage, but organizational and informational pluralism; extensive civil liberties (freedom of expression, freedom of the press, freedom to form and join organizations); effective power for elected officials; and functional autonomy for legislative, executive and judicial organs of government.

C. Democratic governance

30. Some consider democracy as a set of values and governance as a process of interaction among three sets of actors, from the State, civil society and the private sector, which implies governance based on fundamental and universally accepted principles, including: participation, accountability, transparency, rule of law, separation of powers, access, subsidiarity, equality and freedom of the press.

D. Public sector reform

31. According to other sources, public sector reform consists of deliberate changes to the structures and processes of public sector organizations with the objective of getting them to run better. Structural change may include merging or splitting public sector organizations while process change may include redesigning systems, setting quality standards and focusing on capacity-building.

E. Civil service reform

32. Civil service reform, which implies developing the capacity of the civil service to fulfil its mandate, defined to include issues of recruitment and promotion, pay, number of employees, performance appraisal and related matters, still constitutes the main part of national programmes for public administration reform. Civil service reform has historically focused on the need to contain the costs of public sector employment through retrenchment and restructuring, but has broadened towards focusing on the longer-term goal of creating a government workforce of the right size, with the appropriate mix of skills, and the right motivation, professional ethos, client focus and accountability.[14]

V. Capacity development

33. Capacity development is the process by which individuals, organizations, institutions and societies develop abilities to perform functions, solve problems and set and achieve objectives. It needs to be addressed at three inter-related levels: individual, institutional and societal. "Specifically, capacity-building encompasses the country's human, scientific, technological, organizational, institutional and resource capabilities. A fundamental goal of capacity-building is to enhance the ability to evaluate and address the crucial questions related to policy choices and modes of implementation among development options, based on an understanding of environment potentials and limits and of needs perceived by the people of the country concerned".[18]

34. UNDP recognizes that capacity-building is a long-term, continuing process, in which all stakeholders participate (ministries, local authorities, non-governmental organizations and water user groups, professional associations, academics and others). In 1991, UNDP and the International Institute for Hydraulic and Environmental Engineering organized a symposium entitled "A strategy for water sector capacity-building" in Delft, the Netherlands, during which delegates from developing countries and supporting institutes defined capacity-building as: (a) the creation of an enabling environment with appropriate policy and legal frameworks;

(b) institutional development, including community participation (of women in particular); and (c) human resources development and strengthening of managerial systems.

35. At the individual level, capacity-building involves establishing the conditions under which public servants are able to embark on a continuous process of learning and adapting to change — building on existing knowledge and skills and enhancing and using them in new directions. This requires a new approach to human resources management and also points to the importance of knowledge management as the new vehicle for increased learning. At the institutional level, a similar approach needs to be applied. Rather than creating new institutions, often based on foreign blueprints, support should focus on the modernization of their machinery, with a priority on systems and processes. In this process, capacity development for policy support, organizational effectiveness and revenue and expenditure management is crucial. Finally, capacity development at the societal level is required to support the paradigm of a more interactive public administration that learns equally from its actions and from the feedback it receives from the population at large. In order for public administration to be seen as a responsive and accountable service provider, whose performance needs to be monitored, societal change is required.[3]

VI. Decentralization

36. In governance and public administration, decentralization is commonly regarded as a process through which powers, functions, responsibilities and resources are transferred from central to local governments and/or to other decentralized entities. In practical terms, decentralization is a process of striking a balance between the claims of the periphery and the demands of the centre. Decentralization, when appropriately structured, provides an arrangement through which critical issues (such as those of national unity and indivisibility, how to safeguard national interests and ensure coordinated and even development, equity in the distribution of resources, diversity, and local autonomy) can be reconciled.[19] Many countries have made efforts to decentralize their political and administrative systems. These efforts have met with varying degrees of vigour and success because each country responds in its own way to unprecedented changes and challenges in its administrative and political performance.

37. Decentralization is a broad concept that can be both a means to improve the efficiency and effectiveness of public services as well as a way to promote the broader values of pluralistic, participatory democracy. It implies transfer of political, financial, administrative and legal authority from central government to regional/subnational and local governments. Different forms of decentralization can be distinguished based on the extent to which power and authority is being transferred and/or the type of authority being transferred or devolved, for example: deconcentration from central government departments to local offices; delegation to semi-autonomous organizations; devolution to local governments; or transfer to non-governmental organizations.[20]

38. In the view of one specialist in the field, decentralization refers to the restructuring or reorganization of governmental authority in such a manner as to establish a system of co-responsibility between institutions of governance at the central, regional and local levels according to the principle of subsidiarity, thus

increasing overall quality and effectiveness of the system of governance while increasing the authority and capacities of subnational levels.

VII. Civil society

39. Civil society is a vital component of governance and decentralization, the one component that is supposed to vigilantly hold those in power accountable and to promote democracy. Simply put, civil society is that sphere of action independent of the State, within the realm of private sector and civil organizations, capable of stimulating resistance to and change in undemocratic regimes.

40. Patrick Chabal,[21] in reference to African civil society, defines it as "a vast ensemble of constantly changing groups and individuals (who have) acquired some consciousness of their externality and opposition to the state". It should be noted, however, that while civil society is an agent of change, it does not necessarily have to be in opposition to the State, especially if the latter practices good governance.

41. According to Diamond,[17] civil society is the realm of organized social life that is voluntary, self-generating, self-supporting, autonomous from the State and bound by a legal or shared set of rules.

42. Denhardt and Denhardt[15] put it succinctly when they asserted that "civil society is one place where citizens can engage one another in the kind of personal dialogue and deliberation that is the essence not only of community building, but of democracy itself".

Civil society organizations

43. Civil society organizations include non-governmental organizations, professional and private sector associations and trade unions. They also include families, churches, neighbourhood groups, social groups and work groups. Indeed the capability and strength of civil society depends on the operation of such organizations. Civil society organizations take on various roles and responsibilities, among them supplementing the functions normally performed by political parties such as interest articulation and popular mobilization, recruiting and training new political leaders and disseminating information and holding Governments accountable.

44. In a recent publication,[22] civil society organizations are seen as capable of performing various functions, among them, generating a democratic transition by altering the balance of power between society and State, organizing opposition against the State, articulating interests of groups in society, recruiting leaders who are prepared to overthrow the non-democratic regime and providing information, which may inspire citizens to protest against the regime.

VIII. Globalization

45. According to one author, globalization is the closer integration of the countries and peoples of the world brought about by the enormous reduction of costs of transportation and communication and the breaking down of artificial barriers to the flows of goods, services, capital, knowledge and, to a lesser extent, people across

borders. As such, globalization, when seen as the increasing integration of the world economy, makes undemocratic tendencies and poor government performance great liabilities to any country.

46. According to Munshi and Abraham[10] "In its positive sense, globalization is evident in the integration of global markets, rapid advances in communication technology and the spread of what has been called 'mass culture'".

47. Another specialist in the field argues that globalization implies that many chains of political, economic and social activity are worldwide in scope, asserting further that it also implies that there is an intensification of levels of interaction and interconnectedness within and between States and societies. In this view, globalization generates a stretching of social relations in and through new dimensions of activity, technological, organizational, administrative and legal, among others, and the chronic intensification of patterns of interconnectedness mediated by such phenomena as modern communications networks and new information technology.

IX. Accountability

48. Accountability is one of the prerequisites of democratic or good governance. It entails holding elected or appointed officials charged with a public mandate responsible and answerable for their actions, activities and decisions. It is the role of civil society to hold those in public office accountable. Accountability seeks to know who is liable for what and what kind of conduct is illegal. Accountability may be categorized into four broad types:

(a) Accountability is associated with the idea of answerability, based on the premise that individual identity is determined by one's position in a structured relationship;

(b) Liability, a second form of accountability, sees individual identity rooted in more-formalized expectations developed through rules, contracts, legislation and similar relationships based on legalistic standing;

(c) Accountability is associated with role-based expectations. Such roles foster blameworthiness as a basis for shaping and directing one's behaviour;

(d) Accountability expectations are derived from an individual's perceived status in a community where attributions come into play.

Transparency and accountability

49. Transparency and accountability are interrelated and mutually reinforcing concepts. Without *transparency*, that is, unfettered access to timely and reliable information on decisions and performance, it would be difficult to call public sector entities to account. Unless there is *accountability*, that is, mechanisms to report on the usage of public resources and consequences for failing to meet stated performance objectives, transparency would be of little value. The existence of both conditions is a prerequisite to effective, efficient and equitable management in public institutions.[23]

X. Ethics

Ethics: the standards which guide the behaviour and actions of personnel in public institutions and which may be referred to as moral laws (see Charter for the Public Service in Africa).

Corruption: Corruption may be defined as conduct that amounts to: influencing the decision-making process of a public officer or authority, or influence peddling; dishonesty or breach of trust by a public officer in the exercise of his duty; insider dealing/conflicts of interests; [and] influence peddling by the use of fraudulent means such as bribery, blackmail, which includes the use of election fraud. It is a form of behaviour that deviates from ethics, morality, tradition, law and civic virtue (see Namibia's Zero Tolerance for Corruption Campaign: http://www.anticorruption.info/corr_def.htm).

50. Ethics can be looked at as an internal check, a sense of personal responsibility and accountability that applies external checks on public administration. This concept has been variedly defined, with some experts asserting that the term involves thinking systematically about morals and conduct and making judgements about right and wrong. In this view, ethics should guide the actions and performance of public servants and values like morality should help them delineate right actions from wrong. Similarly, Denhardt and Denhardt[15] assert that it is the "process by which we clarify right from wrong and act on what we take to be right". In this view, by clarifying what is right, one opts for moral action and upholds moral standards. Another expert believes that ethics in public service is about the practical application of moral standards in government. All ethical behaviour is concerned with how an individual feels he or she ought to behave. It is about values and the application of those values in any given context. However, by placing emphasis on the individual and the individual's value perceptions, there is a danger of generating ethical relativism, which ultimately results in ethical ambiguity.

51. Another author working in the field asserts that ethics is a set of standards that guide our conduct and help us when we face decisions that involve moral choices. He observes that while ethics reflect personal and professional standards, it is values that give meaning to the term ethics and it is values that define what we view as right. Thus, ethics and values are connected and are very normative in nature, they indicate how one should behave in a given situation or under a particular set of circumstances.

Integrity

52. UNDP asserts that integrity is a key element that completes the notion of accountability and transparency. It is defined as incorruptibility, an unimpaired condition or soundness and is synonymous to honesty. In terms of public service, integrity requires that holders of public office should not place themselves under financial or other obligations to outside individuals or organizations that may influence them in the performance of their official duties. Integrity is not an end in itself rather than a path leading to the effective delivery of the services and performance of functions, which the public is entitled to receive from those who govern them.

(a) **Social accountability**: an institutional arrangement that emphasizes wider accountability framework for public policies and programmes. It involves

planning, tracking and reporting in a transparent manner beyond the constituency of a particular institution;

(b) **Participatory and pro-poor budgeting**: is considered by the Department of Economic and Social Affairs and the Division for Public Administration and Development Management as a budgetary process that mainstreams citizens more directly in the: budget formulation; budget implementation; budget monitoring; and budget control and associated with or enabled by the following:

(i) Enabling environment for participatory budgeting, which is a set of interrelated conditions, including legal, bureaucratic, fiscal, informational, political and cultural aspects, which facilitates civil society organizations and other development actors to engage in budget processes in a sustained and effective manner;

(ii) Pro-poor budgeting, which is a process that focuses budget priority setting, budget allocation and budget implementation on achieving pro-poor objectives, such as goals in the health, education, water and sanitation sectors. It is a process that involves legislative and executive branches, civil society, the business community and the media. Pro-poor budgeting can be a bottom-up approach (when the initiative starts from the community) or top-down approach (when the initiative starts from the legislative/executive);

(iii) Gender budgeting, which is a process that focuses in setting budget priorities and allocation based on well-designed gender policies and gender-related issues;

(iv) Human rights budgeting, which is a process that focuses in setting budget priorities and allocation on policies related to human rights issues. It can be a legislative change/improvement, an institutional change/improvement, or a policy-setting change/improvement, involving increased consultations with interest groups;

(c) **Pro-poor policymaking**: is a process that focuses the policy design and implementation on achieving pro-poor objectives (the last of which are defined in the Millennium Development Goals);

(d) **Alternative budgets**: are budgets that change substantially from the original draft of executive branch. Preparation of alternative budgets takes place outside the executive branch, which in almost any national legislation is responsible for formulating the budget. Alternative budgets can be prepared, inter alia, by the legislative branch (the case of the United States Congress), in which case it is called a legislative alternative budget, or by civil society;

(e) **Engaged governance**: is a governance strategy that links citizens more directly into the decision-making process of the State in order to enable them to influence the public policies and programmes in a manner that impacts more positively on their social and economic lives;

(f) **Best practices**: based on the report of the Preparatory Committee for the United Nations Conference on Human Settlements to the General Assembly (A/50/37), "best practices": (a) should demonstrate a positive and tangible impact on improving the living environment of people; (b) should be based on partnerships between the public, private and civil society sectors; and (c) should be socially,

economically and environmentally sustainable. The General Assembly, based on the UN-Habitat agenda, further recommended that best practices be used as one of the two key instruments for assessing progress in achieving its twin goals of shelter for all and sustainable urbanization (see General Assembly resolution S-25/2). In the case of the Joint United Nations Programme on HIV/AIDS, focusing on "best practices" means accumulating and applying knowledge about what works and what does not work in different situations and contexts. It is both the lessons learned and the continuing process of learning, feedback, reflection and analysis;

(g) **Innovation**: innovation is a creative idea and implementation, which is different from invention. It is the act of conceiving and implementing a new way of achieving a result and/or performing work. An innovation may involve the incorporation of new elements, a new combination of existing elements or a significant change or a departure from traditional ways of doing things. It refers to new products, new policies and programmes, new approaches and new processes. Public sector management innovation may also be defined as the development of new policy designs and new standard operating procedures by public organizations to address public policy problems. Thus, an innovation in public administration may be an effective, creative and unique answer to new problems or a new answer to old problems;

(h) **E-government**: the concept of e-government espouses two aspects: (a) e-readiness, which is the generic capacity or aptitude of the public sector to use information and communications technology (ICT) for encapsulating in public services and deploying to the public high quality information (explicit knowledge) and effective communication tools that support human development; and (b) e-participation, which refers to the willingness, on the part of government, to use ICT to provide high quality information (explicit knowledge) and effective communication tools for the specific purpose of empowering people to participate in consultations and decision-making, both in their capacity as consumers of public services and as citizens;

(i) **E-democracy**: is the utilization of electronic communications technologies, such as the Internet, in enhancing democratic processes within a democratic republic or representative democracy. It is a political development still in its infancy, as well as the subject of much debate and activity within government, civic-oriented groups and societies around the world (see http://en.wikipedia.org/wiki/E-democracy).

XI. Human security

53. Human security means protecting vital freedoms. It means protecting people from critical and pervasive threats and situations, building on their strengths and aspirations. It also means creating systems that give people the building blocks of survival, dignity and livelihood. Human security involves different types of freedoms: freedom from want; freedom from fear; and freedom to take action on one's own behalf. Such security can be obtained using two general strategies: protection and empowerment. Protection shields people from danger. It requires concerted effort to develop norms, processes and institutions that systematically address insecurities. Empowerment enables people to develop their potential and

become full participants in decision-making. Protection and empowerment are mutually reinforcing, and both are required in most situations.

54. Human security complements State security, furthers human development and enhances human rights. It complements State security by being people-centred and addressing insecurities that have not been considered as state security threats. By looking at "downside risks", it broadens the human development focus beyond "growth with equity". Respecting human rights are at the core of protecting human security" (see outline of the report of the Commission on Human Security, May 2003, http://www.humansecurity-chs.org/finalreport/Outlines/outline.pdf).

XII. Social capital

55. According to the World Bank, social capital refers to the institutions, relationships and norms that shape the quality and quantity of a society's social interactions. Social capital is not just the sum of the institutions that underpin a society, it is the glue that holds them together. Whereas physical capital refers to physical objects and human capital refers to the properties of individuals, social capital refers to connections among individuals, social networks and the norms of reciprocity and trustworthiness that arise from them. In that sense social capital is closely related to what some have called "civic virtue". The difference is that "social capital" calls attention to the fact that civic virtue is most powerful when embedded in a sense network of reciprocal social relations. As has been observed, a society of many virtuous but isolated individuals is not necessarily rich in social capital. Social capital consists of the stock of active connections among people: the trust, mutual understanding and shared values and behaviours that bind the members of human networks and communities and make cooperative action possible.

Human capital

56. As reported by Gary Becker, an expert in human capital at the University of Chicago, "To most people capital means a bank account, a hundred shares of IBM stock, assembly lines or steel plants in the Chicago area. These are all forms of capital in the sense that they are assets that yield income and other useful outputs over long periods of time. But these tangible forms of capital are not the only ones. Schooling, a computer training course, expenditures of medical care and lectures on the virtues of punctuality and honesty also are capital. That is because they raise earnings, improve health or add to a person's good habits over much of his lifetime. Therefore, economists regard expenditures on education, training, medical care and so on as investments in human capital. They are called human capital because people cannot be separated from their knowledge, skills, health or values in the way they can be separated from their financial and physical assets".

Notes

[1] Osborne, D. and Ted Gaebler, *Reinventing Government*, Reading, Massachusetts, Addison-Wesley, 1993.

[2] Frederickson, H. G. and Kevin B. Smith, *The Public Administration Theory Primer*, Boulder, Colorado, Westview Press, 2003.

[3] United Nations Development Programme, Governance for sustainable human development, UNDP policy document, New York, 1997.

[4] World Bank, *Governance*, Washington, D.C., 1993.

[5] Pierre, Jon, *Debating Governance: Authority, Steering, and Democracy*, Oxford University Press, 2000.

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